Tax on advertisement space

*184. SHRIMATI N.P. DURGA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have issued a clarification, bringing into the tax net, the advertisement space sold to advertisers;

(b) whether it is also a fact that the publishers have to pay 10.2 per cent tax to Government due to this move; and

(c) if so, what are the reasons for taking this step which affects the readers?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Service tax is not leviable on advertising space in print media. Government has not issued any clarification regarding imposition of service tax on advertising space in print media. A drafts circular was placed on the Central Board of Excise and Customs (CBEC) website seeking comments and suggestions on the issue of value of taxable services provided by an advertsing agency to a client in relation to advertisement. Concerns raised by the print media on the said draft circular have been noted.

(b) and (c) Do not arise in view of (a) above.

Bio-diesel policy

†*186. DR. MURLI MANOHAR JOSHI:
SHRI RAM JETHMALANI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that bio-diesel can be prepared from Ratan Jot;

(b) if so, whether it has been confirmed officially;

(c) whether it is also a fact that Government have not been able to decide any policy regarding bio-diesel so far; and

(d) if so, the details in this regard and by when, the policy is likely to be decided?

†Original notice of the question was received in Hindi.

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (d) Bio-diesel, a diesel fuel substitute, can be made from vegetable oils (both edible and non-edible) and animal fats. Studies have been undertaken in R&D and academic institutions to explore the possibility of production of bio-diesel from non-edible oils like *Jatropha curcas* (Ratan jot) and *Pongamia* (Karanj), and these have been found to be suitable feedstock for the production of bio-diesel.

The Ministry of Rural Development is the nodal Ministry to implement the proposed National Mission on Bio-diesel, which *inter alia*, envisages large scale plantation of *Jatropha Curcas* (Ratan Jot). The Detailed Project Report for the proposed National Mission on Bio-diesel, which was referred by the Ministry of Rural Development to the Planning Commission, has not yet received all clearances and approvals which are a prerequisite for deciding upon any policy regarding bio-diesel.

However, for providing marketing support to bio-diesel for use as trasnsportation fuel through blending with diesel, the Ministry of Petroleum and Natural Gas has issued a Statement on Bio-diesel Purchase Policy, which comes into effect on 1.1.2006. The policy identifies 20 purchase centres of the public sector oil marketing companies at which these companies will purchase bio-diesel which satisfies the prescribed Bureau of Indian Standards (BIS) specifications from those bio-diesel manufacturers who get registered with the oil marketing companies after satisfying the technical and other credentials. The initial price at which the oil marketing companies will purchase bio-diesel is Rs. 25 per litre. This prices can be reviewed by the oil marketing companies every six months. Depending upon felt need and preparedness, the oil companies could also open more purchase centres.

Development of places to attract foreign tourists

†*188. SHRIMATI PREMA CARIAPPA:
SHRI MOTILAL VORA:

Will the Minister of TOURISM be pleased to state:

(a) the year-wise increase in the number of foreign tourists in the country during last three years;

†Original notice of the question was received in Hindi.